



October 20, 2004

Public Utilities Commission  
465 S. King Street, Rm 103  
Honolulu, HI 96813

RE: The Carlyle Group Acquisition of Verizon Hawaii

We are a family-owned business with six (6) supermarkets on the Island of Hawaii employing over 700 people. In our operations, we are very dependent on reliable telecommunication services.

We generally support the acquisition of Verizon Hawaii by the Carlyle Group. However, we do have some concerns which we present below.

Service reliability is critical and the Carlyle Group must assure that the service level will be maintained or improved, not degraded. Businesses rely on basic telephone and fax service, but also rely on the service for other important functions such as, but not limited to, electronic banking, electronic funds transfer, electronic data interchange, internet communication and wide area networks.

Over the past few years, we are aware of severe personnel cutbacks which affect customer service, installations and response time for trouble calls. The physical size of our island makes it difficult for fewer technicians to provide quality service on a timely manner. We would like to see the Carlyle Group reinstate some of those positions and increase personnel on the Island of Hawaii.

One of the positions eliminated by Verizon a few years ago was an on-island customer service representative. For the past few years, our representative was based on either Kauai or Oahu. For single line service, this may be adequate. However, when working with more complex systems and situations, it is very difficult to work over the phone.

In addition to service reliability and personnel, we hope rates will be comparable to our present rates with no substantial increase.

Hawaii's unique culture and business environment will be complimented by the purchase of Verizon by a locally-based company. If the Carlyle Group can maintain or improve existing services while maintaining a stable rate environment in the future, we wholeheartedly support the purchase.

If our concerns are addressed, we encourage your favorable consideration of the Carlyle Group's acquisition of Verizon Hawaii. Thank you for this opportunity to voice our support and concerns regarding this matter.

Sincerely,

Barry K. Taniguchi  
President